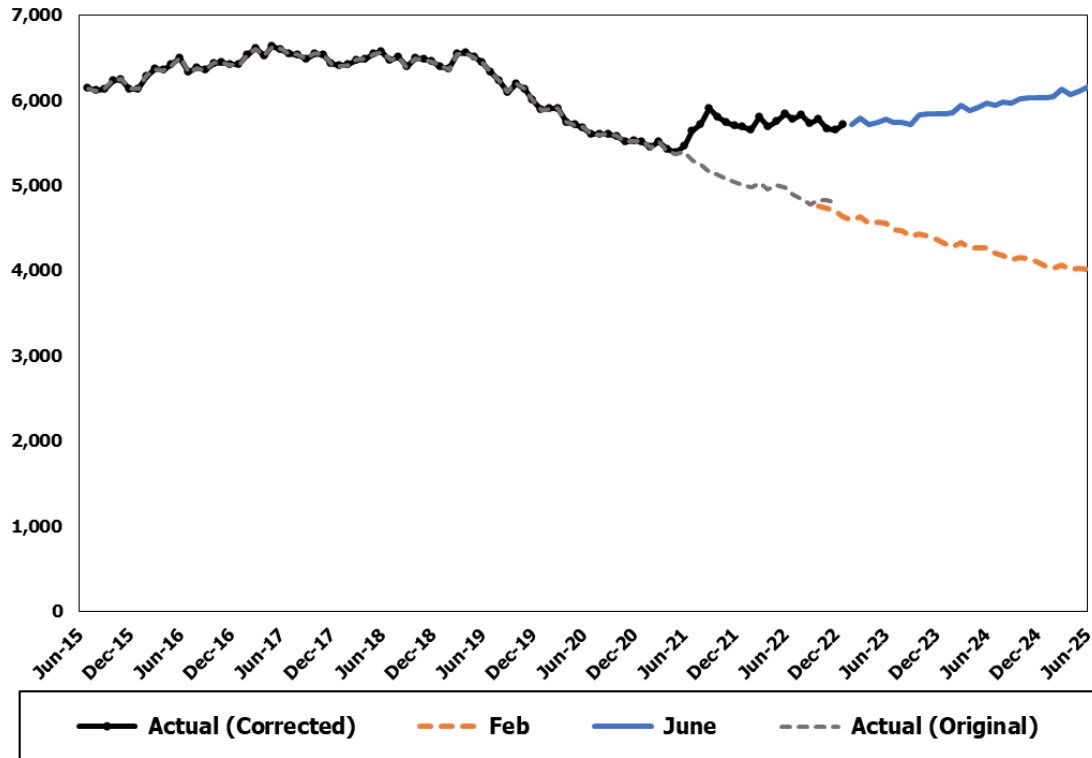


Licensed Foster Care



The Licensed Foster Care (LFC) caseload is a forecast of the number of children in licensed foster care during a calendar month. Financial assistance for licensed foster care includes a monthly stipend, medical care, and a variety of additional services. This caseload has two components – Basic Foster Care & Receiving Care (BFCRC) and Behavioral Rehabilitation Services (BRS). In January 2023, about 92.4 percent of the caseload was in BFCRC.

Forecast Comparisons (Fiscal Year Averages)

Fiscal Year	Feb-23 Forecast	Jun-23 Forecast	Feb to Jun Difference	Percent Difference
2023	4,673	5,737	1,063	22.8%
2024	4,352	5,836	1,484	34.1%
2025	4,089	6,037	1,948	47.6%

Compared to February, the June 2023 forecast is, on average, 1,063 cases or 22.8 percent higher for FY 2023 and 1,716 cases or 40.7 percent higher for the 2023-25 Biennium. Most of this change is from the identification and use of corrected historical case counts. The Department of Children, Youth and Families (DCYF) recently identified an error in a reporting system that omitted certain cases from automated reporting beginning in early 2021. The number of uncounted cases was initially small but reached a monthly average of 913 cases over

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the first two quarters of FY 2023. These missing data obscured a partial recovery in the BFCRC caseload that began in May of that year and contributed to lower forecasts.

Tracking the Current Forecast

	Feb-23	Actual		Percent
Month	Forecast	(Corrected)	Variance	Variance
Oct-22	4,751	5,768	1,017	21.4%
Nov-22	4,729	5,662	933	19.7%
Dec-22	4,686	5,646	960	20.5%
Jan-23	4,626	5,712	1,086	23.5%

Actuals are tracking, on average, 999 cases or 21.3 percent above the February forecast.

Fiscal Year Caseload Change

	Fiscal Year	Caseload	Change from Prior Year	Percent Change
Actual	2016	7,501		
	2017	7,761	260	3.5%
	2018	7,791	30	0.4%
	2019	7,756	-35	-0.5%
	2020	7,176	-580	-7.5%
	2021	6,599	-577	-8.0%
	2022	6,084	-515	-7.8%
Forecast	2023	5,737	-347	-5.7%
	2024	5,836	100	1.7%
	2025	6,037	201	3.4%

The BFCRC declined from April 2019 to May 2021 and the BRS caseload experienced a similar trend from September 2018 through early 2022. A BRS provider rate increase in October 2019 resulted in a temporary increase in system capacity and case counts, but the caseload resumed its decline with the onset of the pandemic. An additional BRS rate increase, effective April 1, 2022, was provided in the 2022 Supplemental Operating Budget (Chapter 297, Laws of 2022) and the BRS portion of the caseload appears to have bottomed out. The BFCRC portion of the caseload has settled into a trend of gradual growth.

This forecast includes step adjustments to account for the effects of 2SHB 1227 (Chapter 211, Laws of 2021), which will revise standards, after June 30, 2023, for court ordered placement of a child into foster care and for the licensing of persons who provide foster care to a relative. It is expected that these changes will both reduce the number of children placed into foster care and increase the share of caregivers who are licensed.

Risks to the Forecast

Risks to the LFC forecast are moderate and due primarily to the uncertainty surrounding the causes of the caseload declines first observed prior to the onset of the COVID-19 pandemic and the effects of 2SHB 1227. It is not clear at what level the BFCRC caseload might stabilize or whether the BRS portion of the caseload will begin to decrease again.

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